



CITY OF SAN DIEGO

CHAIRPERSON'S REPORT

TO THE:

CITY COUNCIL STRONG MAYOR-STRONG COUNCIL TRANSITION COMMITTEE

Scott Peters, District 1, Chair
Vacant, District 2 Councilmember
Toni Atkins, District 3 Councilmember
Tony Young, District 4 Councilmember
Brian Maienschein, District 5 Councilmember
Donna Frye, District 6 Councilmember
Jim Madaffer, District 7 Councilmember
Vacant, District 8 Councilmember

DATE: August 2, 2005

ATTENTION: City Council Transition Committee
Meeting of August 4, 2005

SUBJECT: Legal Effect of Proposition F on the City of San Diego Redevelopment Agency (ITEM-3)

REFERENCES: Report from the City Attorney dated August 4, 2005; Report from the City Manager to the PS&NS Committee entitled Redevelopment Agency Organization Assessment Work Plan dated July 15, 2005

SUMMARY

Issues

1. Determine the Mayor's role on the Redevelopment Authority.
2. Evaluate the appropriateness of having the City Manager serve as Executive Director of the Redevelopment Agency.
3. Determine how to evaluate more comprehensive changes to San Diego's Redevelopment structure.

Issue #1

- 1. Amend the Redevelopment Agency bylaws to replace “Mayor” and “Deputy Mayor” with “Council President” and “Council President Pro Tem” respectively in Art II, Sec. 1 pertaining to the membership of the Redevelopment Agency.**

The City Attorney’s report states that on January 1, 2006, when the strong mayor provisions take effect and the Mayor is no longer part of the legislative body, he/she will automatically be removed from the Redevelopment Authority. This change will make the bylaws consistent with the effect of state law in this respect.

Issue #2

- 1. Adopt City Attorney’s recommendation #1 pertaining to designation of the Redevelopment Agency Director.**

City Attorney’s recommendation #1 is to designate someone other than the Mayor or City Manager to act as Executive Director.

Issue #3

- 2. PS& NS should continue to follow the work plan to determine whether an alternative redevelopment structure should be adopted in San Diego.**

DISCUSSION

Issues Directly Related to Transition to Strong Mayor

The Strong Mayor transition has two immediate implications related to the Redevelopment Authority:

- 1) The Mayor’s role on the Redevelopment Authority Board**
- 2) The City Manager’s Role as Executive Director of the Agency staff**

The first issue is straight forward (Issue #1 above) - Under state law, a redevelopment agency is either the legislative body which enacted it, or an independent body of elected citizens. San Diego’s is the former. Because the Mayor will not longer be on the City Council after strong Mayor, he/she can no longer serve on the redevelopment agency. This will happen by operation of law, but San Diego’s bylaws should be changed to reflect this change. The City Attorney also recommends that provisions for filling vacant positions (removed from the bylaws in 1975) be reinserted.

The second issue is more complicated and presents options for the Council to consider prior to transition (Issue #2 above) - Consistent with the San Diego Redevelopment Agency Bylaws, the City Manager currently serves as the executive director. The bylaws also allow the

Redevelopment Agency (City Council) to select another designee. The bylaws further state that the "Executive Director shall have general supervision over the administration of the business and affairs of the Agency subject to the direction of the Agency." According to the City Attorney's analysis, to have the City Manager act as the Agency's selected executive Director would set up a situation where the City Manager (wholly controlled by the Mayor under Prop F) is also directly answerable to the Agency (wholly controlled by the Council). The City Attorney offers three alternative structures:

1. Designate someone other than the Mayor or City Manager to act as Executive Director.
2. Designate the Mayor as the Executive Director in lieu of the City Manager.
3. Designate the Mayor as the CEO with supervisory authority over the City Manager as the Executive Director.

Options 1 & 2 do not require changing the bylaws at this time because the bylaws already allow designation of someone other than the City Manager. Option 3 would require that the bylaws be amended in such a way that the Agency would lose discretion to select an Executive Director other than the identified structure.

Ongoing Efforts of the PS&NS Committee

The Public Safety and Neighborhood Services Committee has embarked on a process to determine whether more comprehensive changes are needed to make San Diego's Redevelopment Agency more effective and efficient. The committee has endorsed a work plan to evaluate several alternative organizational structures.

CONCLUSION

On January 1, 2006, the Mayor will cease to be a member of the redevelopment authority and questions arise as to the appropriateness of the City Manager's continued role as Executive Director of the Agency Staff. Minor changes to the bylaws can be made to address these two issues. The PS& NS committee should continue its work to evaluate alternative organizational structures for the redevelopment agency which can be adopted in the future.

Respectfully submitted,

Councilmember Scott Peters
Chair, Council Transition Committee